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American Institute of CPAs
Indiana CPA Society

August 7, 2008

Indiana Utility Regulatory Commission
Attn: Secretary of the Commission
101 W. Washington Street, Suite 1500 E.
Indianapolis, IN 46204

Re: Fortville Municipal Water Utility

On behalf of the Fortville Municipal Water Utility, we are submitting a small private rural water utility rate case.

As the enclosed filing demonstrates, the Utility is seeking a 96.75% across the board rate increase.

Please contact us with any questions or and further documentation that you might need.
Thank you for your consideration.

Kindest Regards,

Paula Walker
Senior Consultant

43551-V

INDIANA UTILITY REGULATORY COMMISSION

FILED

GENERAL INSTRUCTIONS AND FORMS

AUG 07 2008

FOR

INDIANA UTILITY
REGULATORY COMMISSION

SMALL MUNICIPAL WATER UTILITY-CASH BASIS

RATE CASE

ACCOUNTING SECTION

INSTRUCTIONS

COMPARATIVE RECEIPTS AND DISBURSEMENTS STATEMENT (Page 3 & 4)

Column A should reflect data for the "test year." The test year selected should be the most recent twelve month period and serves as a basis for determining the financial position of the utility and the appropriate level for the utility's rates. The test year must not be any older than six months from the time you file your accounting data and not include any partial months. Test years ending on a calendar quarter are preferred. Col. B should be the next, most recent calendar year available.

ANALYSIS OF UTILITY PLANT IN SERVICE (Page 5)

See footnotes on the schedule for instructions.

ANALYSIS OF CASH OPERATING FUND (Page 6)

Line 1 should be the date of the beginning of the Comparative Receipts and Disbursements Statement. Line 15 should reflect the ending date of the test year.

ANALYSIS OF BOND AND INTEREST FUND (Page 7)

Follow the above instructions for the Cash Operating Fund.

ANALYSIS OF DEPRECIATION FUND (Page 8)

Follow the above instructions for the Cash Operating Fund.

ANALYSIS OF METER DEPOSIT FUND (Page 9)

Follow the above instructions for the Cash Operating Fund.

ANALYSIS OF OTHER FUNDS (Page 10)

Follow the above instructions for the Cash Operating Fund.

PROFORMA OPERATING RECEIPTS AND DISBURSEMENTS STATEMENT (Page 11)

Column A, the test year, should be taken from Column A of Page 3, the Comparative Receipts and Disbursements Statement. Column B of this page reflects the fixed, known and measurable adjustments that are detailed on the pages following this schedule. Column C is the sum of Column A and Column B. Column D contains adjustments to revenues and taxes which are necessary to reflect the effects of the proposed rate increase. Column E is the sum of Column C and Column D.

DETAIL OF ADJUSTMENTS (Pages 12 through 15)

These are sample adjustments that you may use. If your circumstances require the use of another format, feel free to use your own format. Additionally, you might not have adjustments to all of the expenses listed, or you may have other adjustments to accounts that are not shown as typical adjustments. If you use your own format, please show as much detail as possible.

SCHEDULE OF PRESENT AND PROPOSED RATES (Page 16)

This schedule is somewhat self-explanatory. The tracker column, or Column B, would only be filled-out if the utility purchases all, or part of its water from another utility.

INSTRUCTIONS

REVENUE REQUIREMENTS STATEMENT (Page 17 through 19)

This schedule itemizes and totals the utility's statutory revenue requirements. Proforma operating revenues at proposed rates, as calculated in Column E of the Proforma Operating Receipts and Disbursements Statement, along with available interest income, should not exceed the total revenue requirements calculated on this schedule.

Operation and Maintenance Expenses and Taxes Other Than Income Taxes

These numbers are derived from Page 11, the Proforma Receipts and Disbursements Statement.

Debt Service

The revenue requirement should include the principal and interest payments for all of the legal obligations of the utility.

Debt Service Reserve.

Debt service reserve accounts may be funded through rates but the funding shouldn't exceed 10% of the annual principal and interest payments for each debt issue.

Working Capital

This calculation was adapted from the Federal Energy Regulatory Commission's generic "45 day" working capital computation. The purpose of the FERC computation was to estimate the number of dollars a utility has invested in funding the lag between the time payments are due for its expenses and the time collections are received from the utility's customers. 45 days reflects a 30 day billing cycle plus a 15 day grace period for payments. We divide by eight because there are approximately eight 45-day periods in a year. The calculation on Page 17 provides for the petitioning utility to have enough working capital on hand to meet 45 days of expenses or to build that amount up over a three year period. Purchased power and purchased water are excluded expenses because they are assumed to be on a similar billing cycle as the petitioning utility.

Payment in Lieu of Taxes "PILT"

The purpose of Payment in Lieu of taxes is to compensate the municipality for property taxes which would be due if the utility were privately owned. PILT may be transferred to the municipal general fund if the legislative body elects to do so.

Return on Plant

This amount is determined by the utility board but should not be excessive. The calculation on Page 19 is designed to test the reasonableness of the dollar amount the utility requested for return on plant. It is an indirect test. Sometimes the test will show that zero additional funds requested is too much. In that case, no additional funds should be requested. In other instances, a comparatively low rate of return may result in a seemingly high dollar amount in relation to the utility's other revenue requirements. The prevailing interest rates on U.S. Treasury securities should be considered when determining the reasonableness of the rate of return produced by this test.

Extensions and Replacements

Funds to be provided through rates for extensions and replacements of utility plant is calculated in the Engineering Section of this report.

UTILITY NAME
FORTVILLE, INDIANA
COMPARATIVE RECEIPTS AND DISBURSEMENTS STATEMENT
FOR THE YEARS ENDED 2006 AND 2007

Line No.		Year Ended 12/31/2007 Col. A	Year Ended 12/31/2006 Col. B
	<u>OPERATING RECEIPTS</u>		
	<u>SALES OF WATER</u>		
1.	Unmetered sales	\$ -	\$ -
2.	Residential sales	371,584	378,116
3.	Commercial sales	-	-
4.	Industrial sales	-	-
5.	Sales to public authorities	-	-
6.	Multiple family dwellings	-	-
7.	Fire protection-Public	121,042	127,763
8.	Fire protection-Private	-	-
9.	Irrigation	-	-
10.	Sales for resale	-	-
11.	Interdepartmental sales	-	-
12.	Total Sales of Water	<u>\$ 492,626</u>	<u>\$ 505,879</u>
	<u>OTHER OPERATING RECEIPTS</u>		
13.	Forfeited discounts	\$ -	\$ -
14.	Miscellaneous service revenues	-	-
15.	Rents from water property	-	-
16.	Interdepartmental rents	-	-
17.	Other water receipts	18,233	13,435
18.	Total Other Operating Receipts	<u>\$ 18,233</u>	<u>\$ 13,435</u>
19.	Total Operating Receipts	<u>\$ 510,859</u>	<u>\$ 519,314</u>
	<u>OPERATING DISBURSEMENTS</u>		
20.	Salaries and wages-Employees	\$ 166,639	\$ 148,501
21.	Salaries and wages-Officers and directors	-	-
22.	Employee pensions and benefits	47,932	46,193
23.	Purchased water	-	-
24.	Purchased power	21,543	24,060
25.	Fuel for power production	-	-
26.	Chemicals	34,748	32,189
27.	Materials, supplies and repairs	25,707	34,557
28.	Contractual services	36,009	29,300
29.	Rents	-	-
30.	Transportation expense	4,086	7,312
31.	Insurance expense	17,842	17,118
32.	Regulatory commission expense	-	-
33.	Miscellaneous expense	30,253	31,136
34.	Taxes other than income taxes	3,825	8,732
36.	Total Operating Disbursements	<u>\$ 388,584</u>	<u>\$ 379,098</u>
37.	Net Operating Receipts (Disbursements)	<u>\$ 122,275</u>	<u>\$ 140,216</u>

FORTVILLE MUNICIPAL WATER UTILITY
FORTVILLE, INDIANA
COMPARATIVE RECEIPTS AND DISBURSEMENTS STATEMENT
FOR THE YEARS ENDED 2006 AND 2007

Line No.		Year Ended 12/31/2007 <u>Col. A</u>	Year Ended 12/31/2006 <u>Col. B</u>
	<u>OTHER RECEIPTS</u>		
37.	Customer deposits received	\$ 3,350	\$ 4,275
38.	Bonds or loans proceeds	-	-
39.	Interest received	2,139	1,596
	Tap Fees	68,781	14,328
40.	Sales tax collected	21,366	18,615
41.	Investments redeemed	-	-
42.	Other receipts	1,626	2,997
43.	Total Other Receipts	<u>\$ 97,262</u>	<u>\$ 41,811</u>
	<u>OTHER DISBURSEMENTS</u>		
44.	Customer deposits refunded	3,750	3,735
45.	Bonds or loans paid	100,000	95,000
46.	Interest paid	34,250	39,000
47.	Sales tax remitted	21,123	20,601
48.	Investments purchased	-	-
49.	New construction-Additions and retirements	-	-
50.	Other disbursements	10,271	1,448
51.	Total Other Disbursements	<u>\$ 169,394</u>	<u>\$ 159,784</u>
52.	Net Receipts (Disbursements)	<u>\$ 50,143</u>	<u>\$ 22,243</u>

FORTVILLE MUNICIPAL WATER UTILITY
 FORTVILLE, INDIANA
 ANALYSIS OF UTILITY PLANT IN SERVICE
 FROM JANUARY 1, 2006 TO DECEMBER 31, 2007

Line No.		Beginning Balance Col. A	Additions Col. B	Retirements Col. C	Other Col. D	Year End Balance Col. E	Additions Col. F	Retirements Col. G	Other Col. H	Balance at End of Test Year Col. I
<u>UTILITY PLANT</u>										
1.	Land and land rights	\$ 32,214	\$ -	\$ -	\$ -	\$ 32,214	\$ -	\$ -	\$ -	\$ 32,214
2.	Structures and improvements	2,466,518	-	-	-	2,466,518	-	-	-	2,466,518
3.	Collection and impounding reservoirs	-	-	-	-	-	-	-	-	-
4.	Lake, river and other intakes	-	-	-	-	-	-	-	-	-
5.	Wells and springs	-	-	-	-	-	-	-	-	-
6.	Infiltration galleries and tunnels	-	-	-	-	-	-	-	-	-
7.	Supply mains	-	-	-	-	-	-	-	-	-
8.	Power generation equipment	-	-	-	-	-	-	-	-	-
9.	Pumping equipment	-	-	-	-	-	1,306	-	-	1,306
10.	Water treatment equipment	-	-	-	-	-	-	-	-	-
11.	Distribution reservoirs and standpipes	-	-	-	-	-	-	-	-	-
12.	Transmission and distribution mains	139,832	-	-	-	139,832	-	-	-	139,832
13.	Services	-	-	-	-	-	-	-	-	-
14.	Meters and meter installations	134,705	1,448	-	-	136,153	5,992	-	-	142,145
15.	Hydrants	8,554	-	-	-	8,554	2,973	-	-	11,527
16.	Other plant and misc. equipment	220,659	-	-	-	220,659	-	-	-	220,659
<u>GENERAL PLANT</u>										
17.	Office furniture and equipment	14,232	-	-	-	14,232	-	-	-	14,232
18.	Transportation equipment	40,817	-	-	-	40,817	-	-	-	40,817
19.	Stores equipment	-	-	-	-	-	-	-	-	-
20.	Tools, shop and garage equipment	-	-	-	-	-	-	-	-	-
21.	Laboratory equipment	-	-	-	-	-	-	-	-	-
22.	Power operated equipment	-	-	-	-	-	-	-	-	-
23.	Communication equipment	1,680	-	-	-	1,680	-	-	-	1,680
24.	Miscellaneous equipment	8,224	-	-	-	8,224	-	-	-	8,224
25.	Other tangible property	-	-	-	-	-	-	-	-	-
26.	Total Utility Plant in Service	\$ 3,067,435	\$ 1,448	\$ -	\$ -	\$ 3,068,883	\$ 10,271	\$ -	\$ -	\$ 3,079,154

Note: Many cash-basis water utilities do not keep detailed plant records. If this is the case with you, please provide the latest known plant valuation along with the figures for accumulated depreciation. Then note all plant additions since the latest valuation. The State Board of Accounts normally reports the utility plant and accumulated depreciation valuation in their audit reports.

FORTVILLE MUNICIPAL WATER UTILITY
 FORTVILLE, INDIANA

 ANALYSIS OF CASH OPERATING FUND

 FROM JANUARY 1, 2006 TO DECEMBER 31, 2007

Line
 No.

1.	<u>BALANCE JANUARY 1, 2006</u> (1)	\$ 3,682
	<u>YEAR 2006</u>	
2.	Operating receipts	392,926
3.	Other receipts	5,020
4.	Operating disbursements	(371,865)
5.	Other disbursements	(30,781)
6.	Transfer to: (Fund name)	-
7.	Transfer from: (Fund name)	
8.	<u>BALANCE JANUARY 1, 2007</u> (2)	\$ (1,018)
	<u>YEAR 2007</u>	
9.	Operating receipts	355,092
10.	Other receipts	90,399
11.	Operating disbursements	(419,977)
12.	Other disbursements	(2,375)
13.	Transfer to: (Fund name)	-
14.	Transfer from: (Fund name)	-
15.	BALANCE DECEMBER 31, 2007 (3)	<u>\$ 22,121</u>

- (1) This should be the date of the beginning of the first year.
 (2) This should be the date of the end of the first year
 (3) This should be the date of the end of the test year.

FORTVILLE MUNICIPAL WATER UTILITY
FORTVILLE, INDIANA
ANALYSIS OF BOND AND INTEREST FUND
FROM JANUARY 1, 2006 TO DECEMBER 31, 2007

Line
No.

1.	<u>BALANCE JANUARY 1, 2006</u> (1)	
	<u>YEAR 2006</u>	\$ -
2.	Interest paid	(39,000)
3.	Principal paid	(95,000)
4.	Interest received	
5.	Investment activity	
6.	Transfer to: (Fund name)	
7.	Transfer from: Operating	133,500
8.	Other (Please detail below)	
9.	<u>BALANCE JANUARY 1, 2007</u> (2)	<u>(500)</u>
	<u>YEAR 2007</u>	
10.	Interest paid	(34,250)
11.	Principal paid	(100,000)
12.	Interest received	-
13.	Investment activity	-
14.	Transfer to: (Fund name)	-
15.	Transfer from: Operating	134,750
16.	Other (Please detail below)	<u>-</u>
17.	BALANCE DECEMBER 31, 2007 (3)	<u><u>\$ -</u></u>

- (1) This should be the date of the beginning of the first year.
 (2) This should be the date of the end of the first year
 (3) This should be the date of the end of the test year.

FORTVILLE MUNICIPAL WATER UTILITY
FORTVILLE, INDIANA
ANALYSIS OF DEPRECIATION FUND
FROM JANUARY 1, 2006 TO DECEMBER 31, 2007

Line
No.

1.	<u>BALANCE JANUARY 1, 2006</u> (1)	\$ 3,364
	<u>YEAR 2006</u>	
2.	Interest received	-
3.	Investment activity	-
4.	New construction-Additions and retirements	-
5.	Other (Please detail below)	-
6.	Transfer to: (Fund name)	-
7.	Transfer from: (Fund name)	-
8.	<u>BALANCE JANUARY 1, 2007</u> (2)	\$ 3,364
	<u>YEAR 2007</u>	
9.	Interest received	-
10.	Investment activity	-
11.	New construction-Additions and retirements	-
12.	Other (Please detail below)	-
13.	Transfer to: (Fund name)	-
14.	Transfer from: (Fund name)	-
15.	BALANCE DECEMBER 31, 2007 (3)	<u>\$ 3,364</u>

- (1) This should be the date of the beginning of the first year.
(2) This should be the date of the end of the first year
(3) This should be the date of the end of the test year.

FORTVILLE MUNICIPAL WATER UTILITY
FORTVILLE, INDIANA
ANALYSIS OF METER DEPOSIT FUND
FROM JANUARY 1, 2006 TO DECEMBER 31, 2007

Line
No.

1.	<u>BALANCE JANUARY 1, 2006</u> (1)	\$ 18,251
	<u>YEAR 2006</u>	
2.	Customer deposits received	4,275
3.	Customer deposits refunded	(3,735)
4.	Other (Please detail below)	-
5.	<u>BALANCE JANUARY 1, 2007</u> (2)	<u>\$ 18,791</u>
	<u>YEAR 2007</u>	
6.	Customer deposits received	3,350
7.	Customer deposits refunded	(3,750)
8.	Other (Please detail below)	
9.	BALANCE DECEMBER 31, 2007 (3)	<u><u>\$ 18,391</u></u>

- (1) This should be the date of the beginning of the first year.
 (2) This should be the date of the end of the first year
 (3) This should be the date of the end of the test year.

FORTVILLE MUNICIPAL WATER UTILITY
 FORTVILLE, INDIANA

 ANALYSIS OF CONSTRUCTION FUND

 FROM JANUARY 1, 2006 TO DECEMBER 31, 2007

Line
No.

1.	<u>BALANCE JANUARY 1, 2006</u> (1)	\$ 17,661
	<u>YEAR 2006</u>	
2.	Receipts	-
3.	Disbursements	-
5.	Other (Please detail below)	-
6.	Transfer to: (Fund name)	-
7.	Transfer from: (Fund name)	-
8.	<u>BALANCE DECEMBER 31, 2006</u> (2)	<u>17,661</u>
	<u>YEAR 2006</u>	
9.	Receipts	-
10.	Disbursements	-
11.	Other (Please detail below)	-
12.	Transfer to: (Fund name)	-
13.	Transfer from: (Fund name)	-
15.	BALANCE DECEMBER 31, 2007 (3)	<u><u>\$ 17,661</u></u>

- (1) This should be the date of the beginning of the first year.
 (2) This should be the date of the end of the first year
 (3) This should be the date of the end of the test year.

NOTES:

If the cash basis of accounting is used to maintain the books and records of the utility:

- 1.) Indicate the latest known plant valuation in total if not available in detail.
- 2.) Note all additions to plant for each year subsequent to the valuation.
- 3.) Indicate what the total is for the depreciation reserve for the same date as "1" above.

FORTVILLE MUNICIPAL WATER UTILITY
FORTVILLE, INDIANA
PRO FORMA OPERATING RECEIPTS AND DISBURSEMENTS STATEMENT

Line No.		Test Year Col. A	Adjustments Col. B	Adjusted Present Rates Col. C	Adjustments Col. D	Pro Forma Proposed Rates Col. E
<u>OPERATING RECEIPTS</u>						
1.	Sales of water	\$ 492,626	\$ -	\$ 492,626	\$ 494,256	\$ 986,882
2.	Other operating receipts	18,233	-	18,233	-	18,233
3.	Total Operating Receipts	<u>\$ 510,859</u>	<u>\$ -</u>	<u>\$ 510,859</u>	<u>\$ 494,256</u>	<u>\$ 1,005,115</u>
<u>OPERATING DISBURSEMENTS</u>						
4.	Salaries and wages-Employees	\$ 166,639	\$ -	\$ 166,639	\$ 15,654	\$ 182,293
5.	Salaries and wages-Officers and directors	-	-	-	-	-
6.	Employee pensions and benefits	47,932	-	47,932	5,688	53,620
7.	Purchased water	-	-	-	-	-
8.	Purchased power	21,543	-	21,543	-	21,543
9.	Fuel for power production	-	-	-	-	-
10.	Chemicals	34,748	-	34,748	-	34,748
11.	Materials, supplies and repairs	25,707	-	25,707	6,218	31,925
12.	Contractual services	36,009	-	36,009	5,000	41,009
13.	Rents	-	-	-	-	-
14.	Transportation expense	4,086	-	4,086	-	4,086
15.	Insurance expense	17,842	-	17,842	-	17,842
16.	Regulatory commission expense	-	-	-	-	-
18.	Miscellaneous expense	30,253	-	30,253	-	30,253
19.	Taxes other than income taxes	3,825	-	3,825	5,570	9,395
	Total Operating Disbursements	<u>\$ 388,584</u>	<u>\$ -</u>	<u>\$ 388,584</u>	<u>\$ 38,130</u>	<u>\$ 426,714</u>
	Net Operating Receipts (Disb.)	<u>\$ 122,275</u>	<u>\$ -</u>	<u>\$ 122,275</u>	<u>\$ 456,126</u>	<u>\$ 578,401</u>

FORTVILLE MUNICIPAL WATER UTILITY
FORTVILLE, INDIANA
DETAIL OF TYPICAL ADJUSTMENTS

(1) TO ADJUST OPERATING EXPENSES TO REFLECT AN INCREASE IN PAYROLL EXPENSE FOR SALARIED PERSONNEL.

TEST YEAR EXPENSE

\$ 166,639

POSITION	EMPLOYEE	2007 SALARY	2008 SALARY	PERCENT EXPENSED	PRO FORMA ADJUSTMENT
TOWN MANAGER	RENNER	\$ 53,506	\$ 56,716	26.94%	\$ 865
	5 MEMBERS (SIMMONS, SCROGHAM, GILBERT, RATLIFF AND STAFFORD)	11,250	11,250	25.00%	-
TOWN COUNCIL					
PLANT UTILITIES					
OPERATOR	THOMPSON	39,458	46,051	100.00%	6,593
ADMINISTRATIVE					
ASSISTANT	SPENCE-WILLARD	28,746	31,907	100.00%	3,161
GENERAL					
LABORER	SCRUGGS	34,944	37,045	100.00%	2,101
GENERAL					
LABORER	HARTMAN	34,653	36,733	100.00%	2,080
TOTAL		<u>\$ 202,557</u>	<u>\$ 219,702</u>		14,800

POSITION	EMPLOYEE	2007 LONGEVITY PAY	2007 LONGEVITY PAY	PERCENT EXPENSED	PRO FORMA ADJUSTMENT
TOWN MANAGER	RENNER	\$ 3,600	\$ 3,800	26.94%	\$ 54
	5 MEMBERS (SIMMONS, SCROGHAM, GILBERT, RATLIFF AND STAFFORD)	-	-	25.00%	-
TOWN COUNCIL					
PLANT UTILITIES					
OPERATOR	THOMPSON	2,400	2,600	100.00%	200
ADMINISTRATIVE					
ASSISTANT	SPENCE-WILLARD	-	200	100.00%	200
GENERAL					
LABORER	SCRUGGS	1,800	2,000	100.00%	200
GENERAL					
LABORER	HARTMAN	2,000	2,200	100.00%	200
TOTAL		<u>\$ 9,800</u>	<u>\$ 10,800</u>		854

ADJUST TO REFLECT APPROVED INCREASES PER SALARY
ORDINANCE NO. 2007-12.

15,654

PRO FORMA LABOR EXPENSE

\$ 182,293

FORTVILLE MUNICIPAL WATER UTILITY

FORTVILLE, INDIANA

DETAIL OF TYPICAL ADJUSTMENTS

(2) TO ADJUST OPERATING EXPENSES TO REFLECT AN INCREASE IN EMPLOYEE BENEFITS EXPENSE FOR SALARIED PERSONNEL.

TEST YEAR EXPENSE

\$ 47,932

POSITION	EMPLOYEE	2007 TOWN SHARE PERF 6.50%	2009 TOWN SHARE PERF 7.00%	PERCENT EXPENSED	PRO FORMA ADJUSTMENT
TOWN MANAGER	RENNER	\$ 3,712	\$ 4,236	26.94%	\$ 141
PLANT UTILITIES OPERATOR	THOMPSON	2,721	3,406	100.00%	685
ADMINISTRATIVE ASSISTANT	SPENCE-WILLARD	1,868	2,247	100.00%	379
GENERAL LABORER	SCRUGGS	2,388	2,733	100.00%	345
GENERAL LABORER	HARTMAN	2,382	2,725	100.00%	343
TOTAL		<u>\$ 13,071</u>	<u>\$ 15,347</u>		1,893

POSITION	EMPLOYEE	2007 INSURANCE	2008 INSURANCE	PRO FORMA ADJUSTMENT	
TOWN MANAGER	RENNER	\$ -	\$ 5,282	\$ 5,282	
PLANT UTILITIES OPERATOR	THOMPSON	8,571	6,549	(2,022)	
ADMINISTRATIVE ASSISTANT	SPENCE-WILLARD	3,179	6,437	3,258	
GENERAL LABORER	SCRUGGS	7,806	6,437	(1,369)	
GENERAL LABORER	HARTMAN	7,791	6,437	(1,354)	3,795
TOTAL		<u>\$ 27,347</u>	<u>\$ 31,142</u>		

POSITION	EMPLOYEE	2007 TOWN SHARE FICA/MCARE 7.65%	2008 TOWN SHARE FICA/MCARE 7.65%	PRO FORMA ADJUSTMENT	
TOWN MANAGER	RENNER	\$ 1,177	\$ 1,247	\$ 70	
PLANT UTILITIES OPERATOR	THOMPSON	3,202	3,722	520	
ADMINISTRATIVE ASSISTANT	SPENCE-WILLARD	2,199	2,456	257	
GENERAL LABORER	SCRUGGS	2,811	2,987	176	
GENERAL LABORER	HARTMAN	2,804	2,978	174	
TOTAL		<u>\$ 12,193</u>	<u>\$ 13,390</u>		1,197

ADJUST TO REFLECT INCREASES IN EMPLOYEE BENEFITS

5,688

PRO FORMA EMPLOYEE BENEFITS EXPENSE

\$ 53,620

FORTVILLE MUNICIPAL WATER UTILITY
FORTVILLE, INDIANA
DETAIL OF TYPICAL ADJUSTMENTS

(3) TO ADJUST OPERATING EXPENSES TO REFLECT THE CURRENT ANNUAL REPAIR AND MAINTENANCE PROGRAM.

	<u>FREQUENCY</u>	<u>TOTAL AMOUNT</u>	<u>ANNUAL AMOUNT</u>
TRANSMISSION AND DISTRIBUTION:			
ELEVATED WATER STORAGE TANK (300,000 GALLON):			
OUTSIDE PAINTING	10 YEARS	\$50,000	\$5,000
INSIDE CLEANING AND COATING	4 YEARS	15,000	3,750
PUMPING:			
WELLS 2, 3 & 4:			
REFURBISH/REPAIR			
THREE PRODUCTION WELL PUMPS			
FLOW TEST AND CLEAN @ \$7,500 EACH	4 YEARS	22,500	5,625
REFURBISH AND REPAIR @ \$7,000 EACH	4 YEARS	21,000	5,250
FOUR HIGH SERVICE PUMPS			
FLOW TEST AND CLEAN @ \$2,000 EACH	4 YEARS	8,000	2,000
REFURBISH AND REPAIR @ \$5,000 EACH	4 YEARS	20,000	5,000
OTHER EXISTING PLANT EQUIPMENT:			
CHLORINATOR	ANNUALLY	300	300
GENERAL PLANT AND VEHICLE	ANNUALLY	5,000	<u>5,000</u>
PRO FORMA REPAIR & MAINTENANCE			31,925
LESS TEST YEAR EXPENSE			<u>(25,707)</u>
PRO FORMA MATERIALS, SUPPLIES AND REPAIRS			<u>\$ 6,218</u>

(4) TO ADJUST OPERATING EXPENSES TO REFLECT THE COST OF THIS RATE CASE.

Estimated Rate Case Costs

Legal fees	\$ 5,000
Accounting fees	10,000
Engineering fees	-
Other (Please detail)	<u>-</u>
Total Rate Case Costs	15,000
Amortize over three years	<u>3</u>
Annual Expense	\$ 5,000
Less: Test year expense	<u>-</u>

Adjustment

\$ 5,000

FORTVILLE MUNICIPAL WATER UTILITY

FORTVILLE, INDIANA

DETAIL OF TYPICAL ADJUSTMENTS

(5) TO ADJUST OPERATING EXPENSES TO REFLECT THE PROPOSED RATE INCREASE.

Indiana Utility Receipts Tax

Increase in revenues due to the proposed rate increase
 Less increase in revenues due to Hydrant Rental Increase
 Time; Current rate

\$ 494,256
 (96,415)
1.40%

Adjustment-Increase

\$ 5,570

FORTVILLE MUNICIPAL WATER UTILITY
FORTVILLE, INDIANA
SCHEDULE OF PRESENT AND PROPOSED RATES

			Present Rates (1)	Tracker	Adjusted Present Rates	Proposed Rates	Increase	
			Col. A	Col. B	Col. C	Col. D	Amount Col. E	Percent Col. F
METERED RATES PER MONTH (INSIDE CORPORATE LIMITS)								
FIRST	3,333	GALLONS	\$ 3.91	\$ -	\$ 3.91	\$ 7.69	\$ 3.78	96.75%
NEXT	3,334	GALLONS	\$ 2.92	\$ -	\$ 2.92	\$ 5.75	\$ 2.83	96.75%
NEXT	6,667	GALLONS	\$ 2.28	\$ -	\$ 2.28	\$ 4.49	\$ 2.21	96.75%
NEXT	10,000	GALLONS	\$ 1.63	\$ -	\$ 1.63	\$ 3.21	\$ 1.58	96.75%
OVER	23,334	GALLONS	\$ 1.32	\$ -	\$ 1.32	\$ 2.60	\$ 1.28	96.75%
METERED RATES PER MONTH (OUTSIDE CORPORATE LIMITS)								
FIRST	3,333	GALLONS	\$ 5.86	\$ -	\$ 5.86	\$ 11.53	\$ 5.67	96.75%
NEXT	3,334	GALLONS	\$ 4.37	\$ -	\$ 4.37	\$ 8.60	\$ 4.23	96.75%
NEXT	6,667	GALLONS	\$ 3.41	\$ -	\$ 3.41	\$ 6.71	\$ 3.30	96.75%
NEXT	10,000	GALLONS	\$ 2.46	\$ -	\$ 2.46	\$ 4.84	\$ 2.38	96.75%
OVER	23,334	GALLONS	\$ 1.98	\$ -	\$ 1.98	\$ 3.90	\$ 1.92	96.75%
MINIMUM RATES PER MONTH (INSIDE CORPORATE LIMITS)								
5/8	INCH METER		\$ 11.79	\$ -	\$ 11.79	\$ 23.20	\$ 11.41	96.75%
3/4	INCH METER		\$ 21.14	\$ -	\$ 21.14	\$ 41.59	\$ 20.45	96.75%
1	INCH METER		\$ 37.13	\$ -	\$ 37.13	\$ 73.05	\$ 35.92	96.75%
1 1/2	INCH METER		\$ 52.88	\$ -	\$ 52.88	\$ 104.04	\$ 51.16	96.75%
2	INCH METER		\$ 84.50	\$ -	\$ 84.50	\$ 166.25	\$ 81.75	96.75%
3	INCH METER		\$ 158.44	\$ -	\$ 158.44	\$ 311.73	\$ 153.29	96.75%
4	INCH METER		\$ 265.96	\$ -	\$ 265.96	\$ 523.28	\$ 257.32	96.75%
6	INCH METER		\$ 304.31	\$ -	\$ 304.31	\$ 598.73	\$ 294.42	96.75%
MINIMUM RATES PER MONTH (OUTSIDE CORPORATE LIMITS)								
5/8	INCH METER		\$ 17.67	\$ -	\$ 17.67	\$ 34.77	\$ 17.10	96.75%
3/4	INCH METER		\$ 31.67	\$ -	\$ 31.67	\$ 62.31	\$ 30.64	96.75%
1	INCH METER		\$ 55.58	\$ -	\$ 55.58	\$ 109.35	\$ 53.77	96.75%
1 1/2	INCH METER		\$ 79.33	\$ -	\$ 79.33	\$ 156.08	\$ 76.75	96.75%
2	INCH METER		\$ 126.77	\$ -	\$ 126.77	\$ 249.42	\$ 122.65	96.75%
3	INCH METER		\$ 237.68	\$ -	\$ 237.68	\$ 467.64	\$ 229.96	96.75%
4	INCH METER		\$ 398.96	\$ -	\$ 398.96	\$ 784.95	\$ 385.99	96.75%
6	INCH METER		\$ 456.50	\$ -	\$ 456.50	\$ 898.16	\$ 441.66	96.75%

FIRE LINES / SPRINKLERS:

PER MONTH / PER YEAR

2 INCH CONNECTION AND UNDER	\$	139.64	\$	-	\$	139.64	\$	274.74	\$	135.10	96.75%
3 INCH CONNECTION	\$	239.39	\$	-	\$	239.39	\$	471.00	\$	231.61	96.75%
4 INCH CONNECTION	\$	398.98	\$	-	\$	398.98	\$	784.99	\$	386.01	96.75%
6 INCH CONNECTION	\$	597.48	\$	-	\$	597.48	\$	1,175.54	\$	578.06	96.75%
8 INCH CONNECTION	\$	797.94	\$	-	\$	797.94	\$	1,569.95	\$	772.01	96.75%

HYDRANT RENTAL:

PER MONTH / PER YEAR

MUNICIPAL HYDRANTS, EACH	\$	498.72	\$	-	\$	498.72	\$	981.23	\$	482.51	96.75%
PRIVATE HYDRANTS, EACH	\$	498.72	\$	-	\$	498.72	\$	981.23	\$	482.51	96.75%

(1) Approved in Cause No.41537, Order dated September 1, 2000.

FORTVILLE MUNICIPAL WATER UTILITY
FORTVILLE, INDIANA
PRO FORMA CASH REVENUE REQUIREMENTS

Line
No.

<u>PRO FORMA CASH REVENUE REQUIREMENTS</u>		
1.	Operation and maintenance expenses	\$ 417,319
2.	Taxes other than income taxes	9,395
3.	Debt service	
	Existing (2008-2013)	135,200
	Proposed (\$3,500,000, 20 Yrs., 4.00%)	257,536
4.	Debt service reserve on proposed debt (20%)	51,507
5.	Working capital	8,155
6.	Payment in lieu of taxes (PILT)	11,000
7.	Return on plant	-
8.	Extensions and replacements	<u>131,583</u>
9.	Pro Forma Cash Revenue Requirements	\$ 1,021,695
10.	Less: Recurring Interest Income	<u>-</u>
11.	Net Cash Revenue Requirements	<u>\$ 1,021,695</u>

<u>WORKING CAPITAL REQUIREMENT- 45 DAY METHOD</u>		
13.	Proforma operation and maintenance expenses and taxes	\$ 426,714
14.	Less: Purchased water expense	-
15.	Less: Purchased power expense	<u>(21,543)</u>
16.	Net Applicable Operating Expenses	\$ 405,171
17.	Divide By: Eight	<u>/ 8</u>
18.	Working Capital Requirement	\$ 50,646
19.	Less: Available cash and investments *	<u>(25,485)</u>
20.	Additional Working Capital Needed	\$ 25,161
21.	Divide By: Three	<u>/ 3</u>
22.	Annual Working Capital Requirement	<u>\$ 8,387</u>

* This should include all cash and investments which are available to offset any revenue requirement.

Note: Working capital should not be requested if Line 14 is -0- or negative.

FORTVILLE MUNICIPAL WATER UTILITY
FORTVILLE, INDIANA
DEBT SERVICE REQUIREMENT

Amount of original loan and issue date: \$1,345,000 WATER REVENUE BONDS OF 1998

Interest rates: 5%

<u>Payment Dates</u>	<u>Principal Outstanding</u>	<u>Principal Retirements</u>	<u>Interest Expense</u>	<u>Annual Debt Service</u>
7/1/2008	\$ 585,000	\$ -	\$ 14,625	
1/1/2009	585,000	105,000	14,625	\$ 134,250
7/1/2009	480,000	-	12,000	
1/1/2010	480,000	110,000	12,000	134,000
7/1/2010	370,000	-	9,250	
1/1/2011	370,000	115,000	9,250	133,500
7/1/2011	255,000	-	6,375	
1/1/2012	255,000	125,000	6,375	137,750
7/1/2012	130,000		3,250	
1/1/2013	130,000	130,000	3,250	136,500
Totals		<u>\$ 585,000</u>	<u>\$ 91,000</u>	<u>\$ 676,000</u>

Note: The above payment schedule should be completed for each outstanding indebtedness of the utility and should include a combined schedule of the same.

A. Total interest payable during the next five years	\$ 91,000	
Divide by five years	<u>/ 5</u>	
Average Annual Interest Expense		\$ 18,200.00
B. Total principal payable during the next five years	\$ 585,000	
Divide by five years	<u>/ 5</u>	
Average Annual Principal Expense		<u>117,000</u>
Average Annual Debt Service		<u>\$ 135,200</u>

FORTVILLE MUNICIPAL WATER UTILITY
FORTVILLE, INDIANA
NOTES TO THE CASH REVENUE REQUIREMENTS STATEMENT

Line
No.

PAYMENT IN LIEU OF TAXES

1.	<u>Plant Factor:</u>	Original cost depreciated plus materials and supplies inventory.	<u>\$ 2,003,042</u>
2.	<u>Net Assessed Valuation:</u>	Divide Plant Factor by 100	<u>20,030</u>
3.	<u>Tax Rate:</u>	Use municipality's corporate tax rate which can be obtained from the County Auditor's Office.	<u>\$ 0.68650</u>
4.	<u>Effective Rate:</u>	Reduce corporate tax rate by 20%.	<u>\$ 0.55</u>
5.	<u>Payment in Lieu of Taxes:</u>	Effective Rate times Net Assessed Valuation.	<u>\$ 11,000</u>

RETURN ON PLANT (1)

N/A

6.	Utility plant in service at the end of the test year	\$ -
7.	Less: Accumulated depreciation	<u>-</u>
8.	Net Utility Plant in Service	\$ -
9.	Less: Contributions in aid of construction	<u>-</u>
10.	Net Applicable Utility Plant	<u>\$ -</u>
11.	Pro forma operating receipts at proposed rates	\$ -
12.	Less: Operating expenses	-
13.	Payment in lieu of taxes	-
14.	Depreciation expense (2)	<u>-</u>
15.	Net utility operating income	\$ -
16.	Divided by net applicable utility plant	<u>-</u>
17.	Rate of Return Requested (3)	<u>N/A</u>

(1)

(2) Depreciation expense should be the Utility Plant in Service at the end of the test year, less land and other non-depreciable property, multiplied by the utility's approved depreciation rate. This rate is generally 2.0% for utilities which purchase their water and 2.5% for utilities that treat their own water. Please show your calculation.

INDIANA UTILITY REGULATORY COMMISSION

GENERAL INSTRUCTIONS AND FORMS

FOR

SMALL MUNICIPAL WATER UTILITY

RATE CASE

ENGINEERING SECTION

GENERAL INSTRUCTIONS

The following forms have been developed by the I.U.R.C. Water Section of the Engineering Division. The purpose of these forms is to provide the I.U.R.C. with the general information required to assist in the processing of Small Water and Sewer company rate cases.

In general, the information provided on completed forms should reflect test year data. It is in the best interest of those involved that the information provided be complete and accurate.

A tariff incorporating the proposed rates must be included as a part of the filing. The proposed tariff should include recurring rates and all non- recurring charges.

GENERAL INFORMATION

COMPANY NAME	<u>Fortville Municipal Water Utility</u>		
CONTACT PERSON	<u>Joe Renner</u>	TELE NO.	<u>(317) 485-4712</u>
MAILING ADDRESS	<u>714 East Broadway</u> <u>Fortville, IN 46040</u>		
CERTIFIED OPERATOR	<u>Anthony F. Shaw</u>	NO.	<u>791310</u> <u>791633</u>
GRADE	<u>WT3</u> <u>WT4</u>	EXPIRATION DATE	<u>6/30/2010</u>
NO. CUSTOMERS	<u>1,726</u>		
RESIDENTIAL	<u>1,634</u>		
COMMERCIAL	<u>87</u>		
INDUSTRIAL	<u>5</u>		
IS INCREASE ACROSS THE BOARD? (if no, justification such as cost of service study must be supplied.) Yes			
ARE NON-RECURRING CHARGES BEING REVISED? (if yes, cost justification must be supplied) No			
COMPOSITE DEPRECIATION RATE (if other than composite, supply details) Buildings 2.5%, Improvements Other than Buildings, 2.5%, Machinery and Equipment 4.0% and Transportation Equipment 15%.			
AUTHORITY FOR CURRENT DEPRECIATION RATE (commission order date). State Board of Accounts Audit Report (January 1, 2001 to December 31, 2002) filed 12/15/2003.			
IS THE DEPRECIATION RATE BEING CHANGED IN THIS PROCEEDING? (if yes, supply justifications, such as the depreciation study, supporting the change) No			

FACILITIES DESCRIPTION 2008

SOURCE OF SUPPLY		Ground Water				
3 deep wells;		102' deep 10" Diameter well				
		104' deep 10" Diameter well				
		72' deep 12" Diameter well				
DISTRIBUTION SYSTEM						
SIZE (INCHES)	12"	8"	6"	4"	3"	2" or less
LENGTH (FEET)	25,617'	37,195	31,037	30,915	250'	15,185'
NUMBER OF HYDRANTS						
PUBLIC	235					
PRIVATE	0					
STORAGE FACILITIES						
TYPE		CAPACITY				
Legged Tower		300,000 Gallons				
TREATMENT PLANT DESCRIPTION INCLUDING CAPACITIES						
720,000 GPD Pressure Filter Treatment with Zeolite Softening and Fluorid Addition						

WATER LOSS

[illegible]

CALCULATION OF REQUIREMENT FOR EXTENSIONS AND REPLACEMENTS **HISTORICAL ANNUAL EXTENSIONS & REPLACEMENTS**

TEST YEAR

BEGIN : MON January YR 2008

ENDING: MON December YR 2008

	AMOUNT
TEST YEAR	\$ <u>10,271</u>
PRECEEDING 12 MONTHS	\$ <u>1,448</u>
PRECEEDING 6 MONTHS	\$ <u>3,926</u>
TOTAL	\$ <u>15,645</u>
LESS: AMOUNTS COLLECTED FROM CONNECTION CHARGE, EXTENSIONS CHARGES, ETC	\$ <u>(68,781)</u>
LESS: IMPROVEMENTS FUNDED BY DEBT	\$ <u>-</u>
PLUS: AMORTIZABLE PORTION OF NON RECURRING ITEMS NOT FUNDED BY DEBT	\$ <u>-</u>
PLANT EXTENSIONS & IMPROVEMENTS FUNDED THROUGH REVENUES	\$ <u>15,645</u>
DIVIDED BY TWO AND ONE HALF YEARS: / 2.5	\$ <u>6,258</u>
AVERAGE ANNUAL EXTENSIONS AND REPLACEMENTS	\$ <u>6,258</u>

CALCULATION OF REQUIREMENT FOR EXTENSIONS AND REPLACEMENTS

CAPITAL IMPROVEMENT PLAN (To be completed if future extensions and replacements to plant are expected to vary significantly from the historical average calculated previously. Improvements should be planned for the next three years and cost estimates or bids obtained from material suppliers, contractors or consulting engineers should be attached.)

DESCRIPTION OF IMPROVEMENT	PROJECTED COSTS			
	YEAR 1	YEAR 2	YEAR 3	TOTAL
New 500,000 gallon legged water	\$ 1,000,000			\$ 1,000,000
Rehab existing water tower	350,000			350,000
Water Mains				
Mill Street	150,200			150,200
SR 67 from Town Hall to Elm Street	137,000			137,000
Madison St. from SR 67 to County Line	257,300			257,300
Motel Drive	112,700			112,700
Linda Drive	174,700			174,700
Garden Street	80,000			80,000
SR 67 from Shaw St. to Hospital	130,100			130,100
Shaw St. from SR 67 to Garden St.	117,600			117,600
Berkley Drive North	9,850			9,850
Upgrade to 8-inch within Helmcrest	471,100			471,100
Total Construction	2,990,550			2,990,550
Soft Costs				
PER (SRF)*	20,000			20,000
Engineering	299,000			299,000
Inspection	70,000			70,000
Legal, Financial & Bond Counsel	100,000			100,000
Administration & Admin. Contingencies	20,450			20,450
Total Non-Construction Costs	509,450			509,450
Total Project Costs	\$ 3,500,000			\$ 3,500,000
* If financed by SRF....must add \$20,000.00 to engineering costs for Preliminary Engineering Report				
TOTALS	\$ 3,500,000	\$ -	\$ -	\$ 3,500,000
DIVIDED BY THREE YEARS			/ 3	
AVERAGE ANNUAL PROJECTED EXTENSIONS AND IMPROVEMENTS				\$ 1,166,667

COMPANY NAME FORTVILLE MUNICIPAL WATER UTILITY

ADMINISTRATIVE BOARD TOWN COUNCIL

RESOLVES

- (1) TO ADOPT CAPITAL IMPROVEMENT PROGRAM CERTIFIED BY PROFESSIONAL CONSULTANTS.
- (2) TO ACCEPT RESPONSIBILITY FOR PROVIDING THIS COMMISSION WITH ANNUAL REPORTS ON
- (A) CONSTRUCTING PROGRESS
 - (B) EXPENDITURES
 - (C) WORKING DOCUMENTS FOR SUBSEQUENT YEAR, AND
 - (D) PROGRAM CHANGES, IT BEING UNDERSTOOD THAT ANY PROGRAM CHANGES MUST RECEIVE CONCURRENCE BY THE ENGINEERING DIVISION OF THIS COMMISSION.

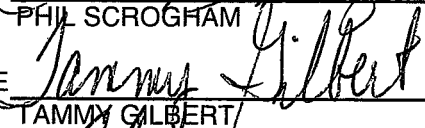
SIGNATURE


SEAN SIMMONS

SIGNATURE


PHIL SCROGHAM

SIGNATURE


TAMMY GILBERT

SIGNATURE


JEFF HATLIFF

SIGNATURE


RON STAFFORD

DATE _____

FORTVILLE TOWN COUNCIL MEETING

The Fortville Town Council met Friday, May 19, 2008 at 7:00 p.m. The meeting was called to order by President, SEAN SIMMONS. Those present or absent:

Council Present: RON STAFFORD, JEFF RATLIFF, TAMMY GILBERT, PHIL SCROGHAM and SEAN SIMMONS

Others Present: JOE RENNER, Town Manager GREGG MORELOCK, Town Attorney

The President recognized the Boy Scouts in the audience.

The May 5, 2008, minutes had been distributed to Council Members prior to the meeting. A Motion was made by RON STAFFORD to approve the minutes. Second by PHIL SCROGHAM; Motion carried 5-0.

Police Report- BEN KIPHART reported that he was getting information together to propose an Ordinance to permit golf carts on the town streets. Some example Ordinances will be provided at the next meeting on June 2, 2008.

A meet and greet session for the public to come in and meet the officers and possibly do a fundraiser at that time will be scheduled in the near future.

The department would like to start rotating vehicles and lease two new Dodge Chargers and new digital Mobil Vision equipment. Public Financing has a 4.5% interest rate for 5 years with the first payment due in February 2009 of \$25,000.00 can be obtained at this time. The council asked that he brings a proposed leased to the next meeting for their consideration.

The officers were asked to do what they could to save on fuel consumption with gas prices being so high.

There were 3 gun permits issued, they drove 11,600 miles, and gave 12 breathalyzer test.

Officer JASON BRUMBACK has graduated from the Indiana Law Enforcement Academy.

An amended Salary Ordinance was introduced asking that the police officers be changed to non-exempt salary employees paid bi-weekly on a 24 day schedule at 144 hours.

PHIL SCROGHAM made a motion to pass on first reading Ordinance 2008-5A amending Ordinance 2007-12B effective with the first pay date of May 30, 2008. Second by RON STAFFORD; Motion carried 5-0.

RON STAFFORD made a motion to suspend the rules. Second by PHIL SCROGHAM; Motion carried 5-0.

PHIL SCROGHAM made a motion to approve Ordinance 2008-5A. Second by RON STAFFORD; Motion carried 5-0.

Appointments - J.R. FOGLE operates at computer business at 222 S. Main Street, Fortville, Indiana. He asked the council to waive the 2 hour parking for him on Main Street. He rides a scooter and there is no place for him to park his vehicles close to the store all day. The council will make a decision next month and advise him of the decision.

MIKE DALE- from the Hancock County Planning Commission came to discuss the importance of updating our Comprehensive Plan and keeping it current since it has been seven years since the current plan was adopted. MR. DALE agreed to work on a scope for the Town and advise the Council what needs the most attention. MR. DALE will bring his findings to the meeting on June 16, 2008.

GREG MANKEY and JIM BENNETT-from the Fortville Lion's Club. A background of the agreement between the Lion's Club and Boys and Girls Club was given to the council. The Lion's Club would like to see the Town own the building in a way everyone will be happy and the community benefit from the building. PATRICK CALHOUN from the Lion's Club commented that no liens are on the building.

CARLENE GAMBLE feels the Boys and Girls Club lacked interest in this community the last 5 years and doesn't feel the Town should pay anything toward the unsecured debt of the building.

GREGG MORELOCK feels the Town should remain neutral in this dispute and let the Lion's Club and the Boys and Girls Club work this out.

O.W. KROHN the Town's Accountant- spoke regarding the water utility rates. The last increase was September 2000. The current water tower needs repairs and a new tower constructed. Repair to the distribution system is also needed. MR. KROHN asked the Council to give him approval to start the process through the IURC as this process takes approximately 6 months. He also suggested the State Revolving Fund be used to fund the bonds for this project. The Town's existing bonds will be paid in 2013.

PHIL SCROGHAM made a motion to authorizing MR. KROHN to petition the IURC for rates and financing for 3.5 million dollars for our water utility. Second by RON STAFFORD; Motion carried 5-0.

Town Council Reports - Ordinance 2008-5B – Voluntary Annexation of the Kirby Property was introduced. PHIL SCROGHAM made a motion to approve Ordinance 2008-5B on first reading and set a public hearing on June 16, 2008 at 7:00p.m. Second by RON STAFFORD; Motion carried 5-0.

RON STAFFORD made a motion to appoint PHIL SCROGHAM to the Solid Waste Distribution Council. Second by TAMMY GILBERT; Motion carried 5-0.

Town Manager's Report – JOE RENNER- bids will be opened for the Garden Street project on May 28, 2008 at 4:00p.m.

There is not a good location to put a street light on Holiday Drive because of the trees. It will cost approximately \$2,000.00 to put in extra poles and an easement may be needed so the Manager needs to contact the person requesting the street light. JOE RENNER looked into solar powered lighting and the cost would be \$8,000.00 to \$12,000.00.

Parts have been ordered to get the siren working again.

Clerk's Report – CYNDI MITCHELL, Deputy Clerk- reported that the Town's three checking accounts have been moved to a sweep account and are now earning interest.

A report was given to the council regarding MARGIE MANSHIP'S salary. At the March meeting, MARGIE MANSHIP felt she was owed a week's pay. After coordinating her W-2's and the salary ordinances from 2000 through 2007, it was determined that she had overpaid herself \$5,153.15.

PHIL SCROGHAM made a motion asking that MARGIE MANSHIP repay the sum of \$5,153.15 to the Town. Second by TAMMY GILBERT; Motion carried 5-0.

PHIL SCROGHAM stated he would like to replace RON STAFFORD on the Planning Commission and have WILLIAM HIDAY appointed because he feels RON STAFFORD holds two lucrative positions. After a lengthy discussion, PHIL SCROGHAM made a motion to remove RON STAFFORD from the Hancock County Planning Commission. After not receiving a second, it was decided this issue should be tabled until the June 16, 2008, meeting when MIKE DALE would be here.

TAMMY GILBERT stated that BAKER & DANIELS would come here and give a free workshop on the House Bill 1001 on how it affects our town.

RON STAFFORD asked if all newly annexed areas were receiving trash pickup. JOE RENNER said it was being picked up.

RON STAFFORD stated he would like to review vouchers on Monday afternoons before the meetings. The vouchers can be reviewed on the Thursday before the Monday meeting.

JEFF RATLIFF updated the council on the non-voting member of the school board on the RDC and it is a change in House Bill 1001.

JEFF RATLIFF asked if trash was being picked up at 2178 W. SR 234 and that address is not in town limits.

SEAN SIMMONS announced that Ball Day would be June 7, 2008.

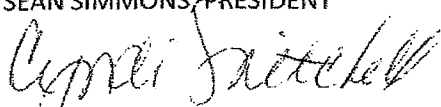
PHIL SCROGHAM made a motion to approve and pay vouchers. Second by TAMMY GILBERT; Motion carried 3-2 (STAFFORD and RATLIFF- nay)(SCROGHAM, GILBERT & SIMMONS – yea).

Public Comment – ELLEN RICH stated she really likes the recycle bins in the park and hopes that will continue.

CORKY HOWARD inquired about riding golf carts on Town Street.

A motion to adjourn the meeting at 9:30pm. was made by PHIL SCROGHAM. Second by JEFF RATLIFF; Motion carried 3-0


SEAN SIMMONS, PRESIDENT


CYNDI MITCHELL, DEPUTY CLERK

FORTVILLE (INDIANA) MUNICIPAL WATER UTILITY

PROPOSED TARIFF OF RATES AND CHARGES

For the use of and the service rendered by the water utility of the Town of Fortville, Indiana the following rates and charges are based upon the amount of water supplied by said water utility.

		<u>Rate per 1,000 Gallons*</u>	
		<u>Inside Corporate Limits</u>	<u>Outside Corporate Limits</u>
(a) <u>Metered Usage Per Month</u>			
First	3,333 gallons	\$ 7.69	\$ 11.53
Next	3,334 gallons	5.75	8.60
Next	6,667 gallons	4.49	6.71
Next	10,000 gallons	3.21	4.84
Over	23,334 gallons	2.60	3.90

(b) Minimum Monthly Charge

Each user shall pay a minimum charge in accordance with the following applicable size of meter installed for which the user will be entitled to the quantity of water set out in the above schedule of rates:

<u>Size of Meter</u>	<u>Minimum Gallons Allowed</u>	<u>Inside Corporate Limits</u>	<u>Outside Corporate Limits</u>
5/8"	3,015	\$ 23.20	\$ 34.77
3/4"	6,112	41.59	62.31
1"	12,967	73.05	109.35
1 1/2"	22,481	104.04	156.08
2"	46,233	166.25	249.42
3"	102,247	311.73	467.64
4"	183,704	523.28	784.95
6"	212,762	598.73	898.16

(c) Fire Hydrants

Municipal Fire Hydrants - per hydrant - per annum	\$ 981.23
Private Fire Hydrants - per hydrant - per annum	981.23

(d) Fire Lines / Sprinklers

2	Inch Connection and under	\$ 274.74
3	Inch Connection	471.00
4	Inch Connection	784.99
6	Inch Connection	1,175.54
8	Inch Connection	1,569.95

(e) Non-Recurring charges

Refer to Appendix "A"

FORTVILLE (INDIANA) MUNICIPAL WATER UTILITY

NON- RECURRING CHARGES

APPENDIX A

DESCRIPTION OF CHARGE

5/8" connection fee or tap-on	\$	582.00
Greater than 5/8" inch meter		actual cost time & material but not less than \$582.00
Reconnect/Disconnect Charge:		
During working hours	\$	20.00
After hours charge, only if the customer requests the City perform the work after hours.	\$	40.00
Special meter reading	\$	3.50
Bad check charge	\$	25.00
Late payment charge		10% of first \$3.00 an 3% of balance, incur 10 days after billing
Deposit	\$	75.00
Meter test requested by user	\$	15.00